

# Hard Work and Economy Cure For Financial Chaos Due to War, Says Vanderbilt

## EUROPE FACES 'PALEFUL DAYS'

Slow Recovery Seen by U. S. Banker—"Return to Frugality Is Only Panacea."

By FLOYD MacGRIFF, International News Service. (Copyright 1920 by International News Service.)

NEW YORK, Aug. 28.—Europe's economic recovery from the war will continue, as since the armistice, by slow and painful degrees, in the opinion of Frank A. Vanderbilt, one of the foremost financiers in America. There is no other way out, he said.

"Why do you think Europe's reconstruction is progressing so slowly?" Vanderbilt was asked.

"How could it do anything else?" he replied. "There was great delay in making the peace treaty. Economic principles were lost sight of by those who drew up the Versailles treaty, which has resulted in economic confusion. Delays in application of the treaty, due to divergencies in interpretation of the instrument, also have retarded Europe's industrial revival. The rearrangement of frontiers, the breakdown of a great part of Europe's railway systems, and the fact that Russian supplies are cut off, are contributing factors which have combined to delay economic revival."

### AUSTRIA IN GREAT FLIGHT.

"Consider the case of Austria. She cannot feed herself. Austria could live by manufacturing, but she lacks credit for raw materials. She can sell her art treasures and pawn her state jewels, but those are 'stop gap' measures without permanent result, and cannot be continued indefinitely. The result must be migration or starvation of millions."

"Then would you suggest a new peace conference to revise the treaty?" Vanderbilt was asked.

"No," he replied, decisively. "That would only aggravate the situation by more delays."

"How does England's recovery of world trade markets impress you?"

"England, I believe," said Vanderbilt, "granted too heavy credits abroad to enable her customers to purchase her products just after the armistice and to keep her factories going, her people at work, and to win back her former commercial position, which had been assailed by the United States."

"England now has a problem in securing payment for this large volume of exports, and a volume stimulated perhaps unduly by liberal credit granting."

"ENGLAND OVERPLAYED HAND."

"I believe England overplayed her hand in an effort to combat American world-trade expansion."

"Will there be a recoussion in England due to this fact?" Vanderbilt was asked.

"Possibly," he replied.

"That depends upon how far the credits England has advanced prove to be good," he explained.

"Then do you think," he was asked, "that the present exchange rates of Germany, France, Italy, and England accurately reflect their respective degrees of solvency?"

"Yes, precisely," Vanderbilt replied. "And not only that; they also represent the inflation of the respective currencies. There has been too much 'printing press' money, with no gold behind it."

"Do you believe, as many prominent European economists assert, that the allies have passed the peak of their post-war economic and financial crisis?"

"That is the next question."

"GET BACK TO REALITIES."

"That's rather an optimistic view of the situation," Vanderbilt commented. "It strikes me as quite possible that there are plenty of troubles ahead for those European nations which are spending more than their income. They must get back to the realities of life."

"Would you say there is a world money shortage?"

"No," said Vanderbilt. "There has simply been too great an expansion of credit. Nations, as well as individuals, must pay as they go or take the consequences."

"Can you suggest a remedy for Europe's financial difficulties?"

"No," he replied. "There is not, in my opinion, any panacea or 'cure-all.' There must be a return to frugality, hard work and economy."

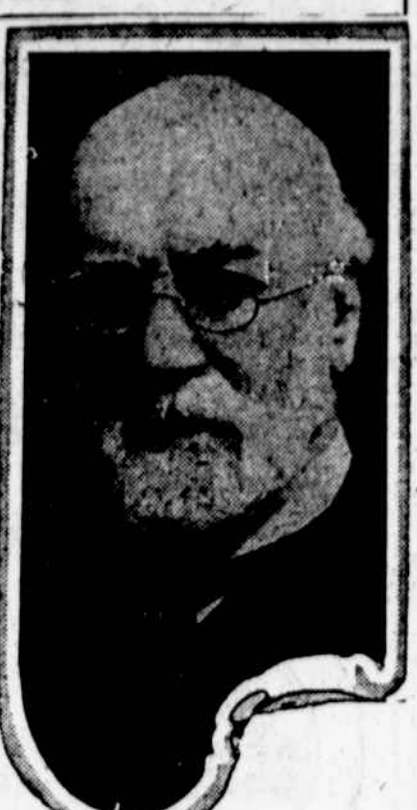
"Do you think that the proposed League of Nations financial conference at Brussels in September is likely to better the situation?" Vanderbilt was asked.

"HAS HOPE FOR FUTURE."

"Insofar," he said, "as the European nations may decide to date their currencies, make their budgets balance, readjust their customs to permit flow of trade, and rehabilitate their railways for the common good of Europe—the aims which have been stated to be the objects of the Brussels meeting—good will develop."

Vanderlip was asked whether the

LORD HENRY JOHN MORETON, third Earl of Ducie and popularly known as the father of the House of Lords, will retire shortly, according to a report from London. Lord Moreton, ninety-three, has been in public life constantly since 1852.



Lord Henry John Moreton.

allies would suggest inter-cancellation of all war debts at the Brussels meeting and whether England would subscribe to such a program.

"England would be delighted, I'm sure," Vanderbilt said. "I have been informed that such a policy will be put forward by the allies. My understanding is that England herself would not, on her own initiative, propose such cancellation."

"But if the allies together advocated such procedure, England might subscribe?"

"I don't doubt that is the least," Vanderbilt replied. "but you must understand the allies are not paying anything now to the United States. Even the interest has been held in abeyance by the United States Government."

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## BLAME KILLING ON SLAVE RING

Jersey Officials Follow New Theory in Effort to Solve Palisades Mystery.

NEW YORK, Aug. 28.—All lines of investigation into the mystery of the murder of Blanche Schulz on the Palisades yesterday from Frank Schulz, her husband, who was held prisoner in the Hackensack jail as a material witness with Edward Faulkner, his closest friend.

State attorneys agreed that through Schulz and Faulkner the solution of the crime will be reached. A Jersey official said last night:

"Both men will be held here until the investigation is completed. They will be held without bail. Under the laws of this State, they can be held indefinitely. I have not talked with either of them all day and I do not intend to do so, for the present at least. I just want to let them wait and think it all over."

Schulz has not yet seen his wife's body. The authorities assert that at first he refused to look at it, saying he would identify it from the clothing. He later said he was refused admittance to the Bergen county morgue.

EXPECT HIM TO TELL MORE.

Last night he was reported as demanding that he had a right to view the body before burial. It is now enclosed in a steel coffin, pending the result of the criminal investigation.

Before the funeral Schulz will be led to the casket in the presence of detectives and prosecutors, and permitted or compelled to gaze on the body, but Prosecutor McCarthy is not willing to arrange this scene yet. He will wait until Schulz has talked more of the circumstances preceding the disappearance of his wife and of his own movements subsequent to the crime.

Schulz was extremely reticent in confinement last night. He demanded of the guard to know why he was not released, insisting that "nobody had anything on him."

Among "her men," Schulz mentioned a chauffeur with whom, he said, Mrs. Schulz had been extremely friendly. This man is being traced.

Sixteen men who went to Hackensack with Schulz to identify the dead woman are also wanted for interrogation. The entire story as related by Schulz of his movements is being checked up. He asserts that he last saw the woman at 2 o'clock Saturday morning, but there are several intervals of twelve hours or longer between that time and the time he reported her as missing that his movements are not accounted for except by himself.

HER NOTE NOT FOUND.

The note which Schulz insists Blanche wrote telling him to get ready for a trip to Keyport Sunday was found at the home of Mrs. E. T. Stotesbury, of Philadelphia, and remembered as a Washington debutante and bride of nine years ago, had obtained a divorce.

Brooks and Miss Rice were married Thursday night at the home of Rev. J. David Clark, pastor of Calvary Baptist Church in Towson, Md. When questioned while he was in Philadelphia, he said that he last saw the woman at 2 o'clock Saturday morning, but there are several intervals of twelve hours or longer between that time and the time he reported her as missing that his movements are not accounted for except by himself.

THE POSSIBLE TIME OF THE MURDER was fixed at between 10 and 11 o'clock Saturday night by the Rev. Anthony Parretti, of Cliffside, who said he heard a woman's screams at that time near where Mrs. Schulz's body was found. The authorities are inclined to believe that the priest heard screams for an automobile party passing, since his search did not disclose any evidence of violence then.

Schulz's story locates him in the Bronx at that hour, looking for his wife.

WHITE SLAVERY MAY BE MOTIVE.

District Attorney Martin, who with Detectives Rellly and Armstrong, Assistant District Attorney McLaughlin, is co-operating with Jersey officials, said last night he thought white slavery was at the root of the murder, adding:

"I will drive every one of them out of the country. There appears to be an organized, dark, luring young wives and girls into lives of shame."

NEWS OF ALEXANDRIA AND NEARBY VIRGINIA

ALEXANDRIA, Va., Aug. 28.—Police Sgt. M. F. Dawson, of Lima, Ohio, yesterday took back with him the two men giving their names as Carl Kenner and Walter E. Wilcox, charged with stealing an automobile in that city from T. J. Harris, cashier of the National Bank of Lima. The machine was stolen on August 17, and the men were arrested here August 24.

A large crowd last night witnessed the musical show given at the Lyceum Hall, on Duke street, by the Knights of Columbus minstrel troupe. The show was given for the Rev. Louis Smet, who has just returned from Europe.

A. T. Courtney and wife have bought from Ernest Simpson a house and lot on the east side of Lee street, between Gibbon and Franklin streets.

A meeting of the collaborators of the Virginia War History Commission was held at the rooms of the Alexandria Chamber of Commerce this morning.

The fire department was called out yesterday to extinguish a small blaze in a house in the northeastern section of the city.

A prayer meeting was held at Anno Lee Memorial Home for the Aged, corner of Cameron and Fairfax streets, last night.

E. E. Carver & Co. have sold to Ernest T. Mawyer and wife a house and lot on the west side of Patrick street, between Cameron and Queen streets.

GOLD SHIPMENTS DROP.

A decided drop in gold shipments from abroad was shown by reports to the Treasury Department today. The gold movement from overseas last month amounted to only \$10,000,000, in small shipments received by banks in ordinary exchange.

MRS. LOUISE CROMWELL BROOKS, a Washington debutante and bride of nine years ago, whose secret divorce from Walter B. Brooks, jr., in Paris last spring, was recorded Thursday by the marriage of her former husband to Miss Marion Lloyd Rice, of Albany.



## D. C. Woman's Secret Divorce Revealed By Hubby's Remarriage

Washington's social circle was stirred today by news of the marriage of Walter B. Brooks, jr., of Baltimore, to Miss Marian Lloyd Rice, of Albany, N. Y., as it also was the first information received here that his former wife, Mrs. Louise Cromwell Brooks, daughter of Mrs. E. T. Stotesbury, of Philadelphia, and remembered as a Washington debutante and bride of nine years ago, had obtained a divorce.

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## REDS TO DRAFT LABOR FORCES

Industry Will Be Conducted by Trotsky Under Army Conscription Plan.

Conscripted labor, with compulsory service precisely as in the army, and, along with this, the power of the state to mobilize and distribute labor as it would its military forces, is apparently the plan of Leon Trotsky, Soviet Russia's minister of war, according to a preliminary study of employment conditions among the Bolsheviks made public here today by representatives of the international labor office of the League of Nations.

Russia's new masters seem to have completely reversed their former ideas on the "freedom of labor," the report indicates, their present attitude being that "men are the country's best resource and that the state must learn to use them." The Bolshevik leader, Eukharin, writing in the Pravda, is quoted as saying "the fundamental transformation process, which we are turning goods into men and men into goods."

"It is interesting," the report says, "to compare this with the first principle laid down in the labor section of the treaty of peace, which reads: 'Labor should not be regarded as a commodity or an article of commerce.'"

BELIEVES IN COERCION.

"Trotsky apparently believes," the report further states, "that production should be guaranteed by compulsory labor and, until the people are educated, universal labor can only be accomplished by coercion—that is to say, by the armed forces of the state. He proposes to adopt military methods to economic production, thereby creating a sort of territorial economic militia which will be at the same time a basis of a war-time militia."

Lenin is quoted as saying "we must create armies of labor and concentrate our forces on the labor front with a truly military spirit of implacable decision."

"It seems," says the report, "that the plan of action elaborated by the government contemplates two systems. The first is to utilize all manpower in the country, and the second, to create a system of conscription in the transformation of the fighting army into a labor army. Trotsky is president of the commission to which the task of realizing this program is entrusted."

PROPERTY OF STATE.

That human labor is the property of the state "seems to be the salient characteristic of the Bolshevik organization of labor," according to this "preliminary study," which defines the theory of the Soviet government's labor legislation, the nationalization of factories and the like, has not served to make wages keep pace with the cost of living, which has been always far ahead of the former.

From July, 1916, to April, 1918, it was stated, food prices increased 833 per cent, while wages increased only 237 per cent; unskilled, 450, and semi-skilled labor, 344 per cent. These conditions, it was stated, had caused an exodus from the cities to the country, where food was more plentiful. Industry, exclusive of the railways, lost, according to Soviet reports, 2,402,000 men up to January, 1919.

CHICAGO, Aug. 28.—If the Socialist ticket should win in the fall election there would be no difficulty about getting Eugene Debs, candidate for President, out of Atlanta penitentiary. Seymour Stedman, the Vice Presidential candidate, announced yesterday.

"If the Socialists have a majority in the Electoral College I can be inaugurated President in Debs' stead and can then, by virtue of my office, pardon Debs, restoring him to his rights, including his right to be President. Or the inauguration can be held in Atlanta penitentiary, and Debs can pardon himself."

Stedman, campaigning for Debs, will start a Western speaking tour September 5 at Milwaukee. He will also speak at Minneapolis, Seattle, San Francisco, Los Angeles, Reno, Denver, and other Western cities.

SEIZE SHIPMENT OF MUNITIONS TO MEXICO

Customs Officers Confiscate 50,000 Cartridges Believed to Be Intended for New Revolt.

NOGALES, Ariz., Aug. 28.—Fifty thousand 22 caliber rifle cartridges were confiscated yesterday by Mexican customs officers when an attempt was made to smuggle them across the border into Mexico in a push cart. A Mexican was placed under arrest at Nogales, Sonora.

One hundred and fifty thousand rounds additional were smuggled out of the express office here through one door while a United States customs inspector watched the other door. It is reported. One hundred thousand rounds are still under surveillance of Government agents at the express office.

It is reported that the ammunition was intended for men planning a revolt against the de la Huerta government in Sonora. The authorities refuse to discuss the case.

20 ILL FROM RUM AS CHINESE SHIP COMES IN

NORFOLK, Va., Aug. 28.—Twenty cases of wood alcohol are being sought by Government detectives here, and a scare has been thrown into all those who still clandestinely pursue the "cup that cheers." The whiskey was said to have been brought ashore from the Chinese steamer Kwah Ja before customs officials seized thirty-six cases aboard the vessel.

Captain Wilson, master of the ship, was fined \$1,570, but was allowed to sail with the vessel for China.

W. AVERILL HARRIMAN, who, at twenty-eight, heads the world's greatest shipping combine—the formation of a reciprocal agreement between the Hamburg-American Steamship line and the American Ship and Commerce Corporation.



W. Averill Harriman.

Highly valuable paintings, including works of Gainsborough, Sir Joshua Reynolds and Holbein, are left to the Metropolitan Museum of Art.

To Vanderbilt University, Nashville, Tenn., is bequeathed \$250,000. St. Mark's Church, at Islip, L. I., gets \$50,000.

Vanderbilt remembered his butler, James Lovegrove, with \$15,000, and his valet, William Kavanaugh, with \$5,000.

Henry B. Anderson, of 15 Broad street, for many years counsel for Vanderbilt, gave out the summarized statement of the provisions. Anderson declined to make any comment on the size of the fortune left by the railroad magnate, sportsman and art patron.

Under the terms of the will of his father, William H. Vanderbilt, William K. inherited \$10,000,000 outright, shared in a special trust fund of \$5,000,000, and, with his brother, Cornelius, a residuary legatee.

William H. Vanderbilt left an estate estimated at \$300,000,000. Each of his eight children shared alike under his will, with the exception of William K. and Cornelius, who received the residue. What that amounted to was never known, but it is believed that it more than doubled the sums of \$15,000,000 left to William K. and Cornelius under special provisions.

When Cornelius died, in 1899, he left an estate of more than \$700,000. William K. remained active in business after that, and his fortune, it is believed, tops that left by Cornelius by many millions.

BANK REPORT DUE SOON.

Comptroller of Currency Williams has nearly completed his investigation of the alleged practice of New York banks charging excessive rates of interest, and it is expected soon will make public his findings. What steps the controller will take to effect a remedy has not been disclosed.

Go to Church Tomorrow

"Clergy, District and District Commissioners," will be the subject of the Rev. David R. Covell's sermon at Trinity Episcopal Church tomorrow night. The morning sermon will be on "The Wisdom and Foolishness of Prayer."

The Rev. Paul Oliver Keicher, formerly of St. Joseph's Episcopal Church, Detroit, will assume his duties Wednesday as associate rector of Trinity Episcopal Church.

Young People's Day will be observed at Eastern Presbyterian Church tomorrow morning and night. An invitation has been extended to all young men and women who do not regularly attend other churches.

The Rev. W. R. McElroy, who is occupying the pulpit during the absence of the pastor, will preach in the morning on "The Voyage of Life," and at the night services on "The Boy Problem."

At Foundry Church, Dr. J. Lewis Hartsock will preach at 11 o'clock on "The Construction of the Spirit." At 8 o'clock his subject will be "World Vision and World Obligation."

Mrs. Viva M. January will speak on "Usefulness" Sunday night at 8 o'clock, at the Church of Life and Joy, 1814 N street northwest.

The Washington District Epworth League will hold its regular monthly morning watch service Sunday at 10 o'clock.

Harry S. Ridgely, of the Department of Justice, will address the Men's Bible Class of Calvary Methodist Episcopal Sunday School at 9:30 o'clock tomorrow morning. "Beginning of Solomon's Reign" will be his subject. A feature of the meeting will be solo singing by Miss Ireland.

Dr. Bruce L. Kershner, professor of philosophy at Lynchburg College, will speak tomorrow morning and night at Vermont Avenue Christian Church, in the absence of the Rev. Earle Willey.

"The Unexpected God" will be the subject of a sermon to be preached tomorrow morning by the Rev. Frank Bigelow at Cleveland Park Congregational Church.

CHURCH DIRECTORY

Special Sunday Services

Congregational

First

Congregational Church

10th and G Sts. N. W.

REV. WILMER P. JOHNSTON, Associate Minister.

Dr. Charles L. Goodell

Will preach at

11:00 A. M.—"Keeping Faith."

8:00 P. M.—"Men Who Shirk."

The Church With a Summer Program.

Presbyterian

CHURCH OF THE COVENANT.

Conn. ave. and N. St.

REV. CHARLES WOOD, Minister.

REV. HOWARD D. LOTT, Assistant.

SUNDAY, AUGUST 29, 1920.

9:30—Sunday school, with men's and women's classes.

11:00—Morning service, Mr. Talbot.

4:15—Christian Endeavor supper.

7:45—Musical service, Richard Lortberg, violinist;